

STRINGS WITHOUT AID

I. Breach of Promise

On May 28, 1958, the Soviet Foreign Minister, Andre Gromyko, handed a note to the Yugoslav Ambassador, Veljho Micuhovic. In brief formal words customary to diplomacy it announced unilateral action by the Soviet Union to suspend for five years a grant of economic credits equivalent to approximately one hundred million pounds. The note suggested negotiations about the postponement. As the Yugoslav Ambassador immediately recognized, a five-year suspension amounted in fact to a cancellation, and negotiations would be a vain exercise.

The Government of the so-called People's Republic in East Germany, associated with the Soviet Union in the credits forthwith announced its concurrence in the Soviet action.

The deal was off; the promise revoked. On the face of it this looked like bad news to Yugoslavia. It meant frustration of plans for construction of an aluminum-production plant which was supposed to have been financed out of the Soviet grant now withdrawn --and not only the frustration of plans but also actual losses on investments in money, time, and effort undertaken by the Yugoslavian government on initiatory stages of the project.

In another sense, however, it was not bad news. For one thing, the Soviet announcement must have come as no deep surprise to the Yugoslavs. Already on May 9 the Moscow newspaper, Pravda, had given hints of the action. Experience is said to be the best teacher, and the Yugoslavs' experience had surely been enough to have taught them about the value of Soviet promises. [Inwardly their indignant reaction was not so much amazement at unexpected bad news as chagrin

over having let themselves be led along thus far when they really should have known better.]<sup>R</sup> Moreover, the new situation was not bad in all aspects. To be sure, the projected aluminum plant, if ever actualized, would help fill an economic need, but on the other hand there is something of value in being liberated from false expectations and spurious promises. The Yugoslavs had been left in the lurch before this by the Soviet Union--and had survived, had escaped having to bow down to the Kremlin, and had in a measure prospered. All this they would be able to do again.

The Yugoslav government did strike back immediately with a demand for the Soviet Union to live up to its promise. The Yugoslav answer threatened a suit for damages in recompense for the losses--without being clear as to how such a suit might be brought--and formally refused to go through with negotiations to cover up the one-sided character of the recission.

There the matter stands. It is futile to predict the forthcoming developments. It is worth while, however, to review the background to this episode of breach of promise, cry of betrayal, and threat to sue, for the story tells much of the nature and the purpose of Soviet Russian conduct in relation to other governments.

## [II.] Out from Under the Thumb

Let us go back to the situation in Eastern Europe in the period immediately following the end of active hostilities in World War II.

Stalin was then still very much alive. War had tightened his grip at home. Its consequences had enabled him to expand his dominion hugely. As the Nazi imperium retracted and then crumbled in defeat, Russian power flowed in to replace it. Puppet governments

which danced to the pulling of strings by Moscow were in positions of authority--in capitals of Eastern Europe and in Eastern Germany. The satellite system began to emerge.

Yugoslavia appeared to be cooperating closely as a member. To an undiscerning eye Yugoslavia might then have looked to be as completely a part of this system--pliable and compromising--as the others then well set in the status of satellites--Roumania, Bulgaria, Poland, Hungary, Albania--or as conforming as the Communist regime of Czechoslovakia made captive in the spring of 1948, or the East German satellite administration, then not as yet vested with the trappings of fictitious autonomy. There were differences, however. Yugoslavia was a self-liberated country. It had got rid of foreign tyranny rather than substituting one such for another. The political leader, Marshal Tito, had arrived at his position through his own capacity and effort rather than being put there through the will and agency of Moscow. [The communist party apparatus was a Yugoslav affair, not a mechanism contrived and operated by foreign masters. These latent differences became of enormous importance as time passed and pressure increased.]

The difference was simply that those in charge in Yugoslavia did not have to say something was so merely because Stalin and his henchmen said so and did not have to follow a particular course merely because ordered to do so by the Kremlin.

The issue which brought matters to a head was a simple one. In the Soviet Union individual farming had been ruthlessly wiped out to make way for a system of agriculture controlled and owned by the state. Communist orthodoxy of the Kremlin persuasion demands a sanctity of all its acts and patterns of action. If this was the

pattern in the Soviet Union, then it must be the pattern wherever Soviet power held sway. Marshal Tito and his government saw things differently on the issue of agricultural policy. Individual farmers were regarded as "the most stable foundation of the Yugoslav state." Marshal Tito said this publicly. This was in contradiction of the Leninist thesis, maintained by Stalin, "that small individual farming gives birth to capitalism and the bourgeoisie continually, daily, hourly, spontaneously and on a mass scale."

The question about agriculture was actually symbolic of a deeper issue related directly to anxieties at the root of the Kremlin-dominated system. These anxieties and their attendant fears account for the rigidity and tyranny characteristic of Soviet conduct. Suppose deviation should be suffered to exist on questions of agricultural production. Might it not spread then to other aspects of policy? Suppose Yugoslavia should prevail and dance away on an independent course even on a question so obviously of its own concern by any sensible standard. Then would not the puppets be tempted by example to try to rend the leading strings held by Stalin--and thereby gain some measure of self-respect and autonomy? Suppose such things were to happen. What would then become of the satellite system?

A deep issue ranging the idea of consent against coercion was involved. Stalin felt compelled by his own premises to strike down Titoism.

Notice to bend the knee--or else!--was served on Tito behind closed doors in a meeting of the Cominform, an organization of party apparatuses used by the Soviet Union to transmit its orders. In the cryptic fashion favored by the Stalinists, Poland was

singled out as the target for tirade, but the actions cited as crimes of independence against Communist orthodoxy were unmistakably actions of the Tito regime. A short time later, June 28, 1948, the issue came into the open in the Czech Communist newspaper Rude Pravo. Simultaneously Yugoslavia was expelled from the Cominform.

For the Yugoslav regime expulsion from the Cominform was something like being thrown out of jail.

The expulsion was dressed up in quite an array of rhetoric. Tito's Yugoslavia was roundly condemned not only for irregularity about agricultural policy but also for nonconformity in party organizational methods, antipathy to the Soviet Union, and a range of departures from doctrinal orthodoxy--even for failing to treat Soviet citizens as privileged characters in Yugoslavia, for permitting criticism of the behavior of Soviet army officers, and for objecting to the attempts of Soviet intelligence officials to recruit Yugoslav citizens as agents. The underlying point, however, was clear enough: The Yugoslavs in authority had tried to think out something for themselves and had not vouchsafed Stalin the subordination and worship required by the Stalinist system.

By the logic of tyranny Stalin's logic was unexceptionally correct. Yugoslavia--Communist, yet deviating from the line laid down by the Kremlin--has been a challenge and reproach to the satellite system. Its measure of autonomy has set up a standard of comparison, invidious and compelling, for the captive regimes. It has been a factor in eruptions against tyranny in East Germany, Czechoslovakia, Poland, and Hungary. The fact of Yugoslav autonomy was an important factor in obstructing the Kremlin's efforts to place the yoke on Greece. Yes, Stalin was correct according to the logic of his evil system.

III. New Face at the Kremlin

Stalin died early in 1953--less than five years after the explosion of Yugoslavia from the Cominform. Measured in evil accomplishment, his life had been a huge success. Yet at the end he must have felt great frustration in the thought of so much left undone. High on his list of failures was Yugoslavia--still there, [still governed by the Tito regime,] and still not knuckling under to the Stalinist system. Stalin had pledged prestige and given huge endeavor to the attempt to bring Tito to heel--and had failed. Stalin broke off diplomatic relations with Tito's regime. The Russians manufactured a series of intimidatory incidents along the Yugoslav boundaries. They applied a rigorous economic blockade. They kept up a torrent of abusive propaganda against what Stalin called "the traitorous Tito clique." Yet somehow the Yugoslav government held on. It must have been disturbing to the fading Stalin!

[The failure for tyrannous Stalin and the success for the defiant Tito were by narrow margins.] At the time of the break Yugoslavia was heavily dependent on trade with Stalin's Russia and the satellite bloc to keep the populace fed and at work. The Soviet Union was the sole source of armaments, machines, important raw materials, investment capital, and technical knowledge necessary to economic development. It took courage to cut loose--the sort of courage always necessary to nourish independence.

As months stretched into years, Yugoslavia's position became sounder, and the pressure of crisis diminished. Yugoslavia found other channels of trade--and also many friends such as [Nehru's] India, Soekarno's Indonesia, Nasser's Egypt, the United States,

the United Kingdom, and so on through a considerable list. It was not necessary to stand alone in the world or even to hunger in independence. Trade with the Soviet bloc, once encompassing almost the whole of Yugoslavia's foreign trade, declined to less than a quarter.

Thus the basic facts were different by the time of the emergence of Stalin's eventual successor from the deadly game that passes for political competition in the Soviet Union.

The new man, Nikita Kruschev, proved to be of a stripe different from Stalin: subtler, more outgiving, more inclined to amicable gestures, [and less inclined to murder--the type to let bygones be bygones, at least on the surface and for a while.]  
(No P) Indeed, a policy toward Yugoslavia of letting bygones be bygones had set in at the Kremlin within a few weeks after Stalin's death--long before the accession of Kruschev to the pinnacle of power. Almost immediately the Kremlin took an initiative in resuming full diplomatic relations. By a year or so later a trade agreement had replaced the economic blockade.

Kruschev, not yet arrived at the Premiership but already obviously the man of power, and Marshal Bulganin, then his toadying Premier, made a journey of contrition to Tito's capital, Belgrade. They blamed the past deadly unpleasantness on Stalin and on the unlamented [Levant] Beria, late chief of the Soviet terror apparatus slain for his crimes. Tito's "desire to improve relations between East and West" drew a tribute from the visitors. Yugoslavia's right to develop socialism in its own style was acknowledged.

The work of amends and of restoring amity went on and on--so far that Puppet Hungary, at the instance of Moscow, in March of

-8-

Minister

1956 rehabilitated Laszlo Rajk, a cabinet [officer] convicted seven years previously for plotting with Tito. This confession of error did nothing to mend the neck broken on the gallows.

Tito was responsive. In a journey to Moscow in June of 1956, returning the compliment of the journey of contrition, he warmly [predicted]: "There will never again be a misunderstanding among the nations of the Soviet camp."

This turned out to be a singularly [unprophetic estimate of the prospects.] <sup>unsubstantiated hope-</sup>

#### IV. The Slow Retreat of Illusion

One should accord Kruschev credit for a sincere attempt. None was in better position than he to appreciate the tragedy and debauchery of the Stalinist regime, for he was so much a part of them. None could understand more deeply than he the wastefulness and degradation of naked coercion, for he had been a witness and a participant. He had every reason for wishing to abate the more noxious evils of the Stalinist method.

Kremlin dictatorship, however, has a logic of its own. That logic proved inexorable. Kruschev's goodwill was only contingent. The battle between the two was long drawn out; goodwill put up quite a fight before succumbing to the logic of tyranny.

That all was not well behind the smiles and beneath the surface concord became apparent during a second visit by Kruschev to Belgrade on September 19, 1956. Kruschev made a point about attempting to bring Yugoslavia back into line with Kremlin discipline,

A few days later, after a new return visit to Moscow, Tito brought the lingering frictions further into the open. He spoke

up in advocacy for a wider measure of national independence among the European satellites--a view in express contrast to the Soviet insistence on strict control.

On October 17 of that year a circular letter from Moscow to the various European satellites gave the rejoinder in an assertion that "the Communist Party of the USSR considers that it remains the directing Party among all the Communist organizations of the world."

Here was the authentic voice of Stalin again--the tone milder than in the day of ruthlessness unlimited, but the intention no less clear. Less than two weeks later the world was to be awakened to the awful potential for renewed brutality when the Hungarians

Mounted  
A [raided]<sup>s</sup> their momentary challenge only to be crushed by [interposition of] the Soviet army's bloody intervention

The bloody events in Hungary set Soviet-Yugoslav differences in dramatic relief. Yugoslavia made clear its position by giving sanctuary to the Hungarian Prime Minister, Imre Nagy, deposed by Soviet force and in flight for his life. Moreover, Yugoslavia supported a resolution in the United Nations General Assembly labeling the brutal intervention in Hungary for what it was and calling for immediate withdrawal of Soviet forces. Speaking out on November 11, Tito called the Soviet action "a fatal error." He said even more--and what he said can best be summed up in Krushchchev's later phrases of the outraged guilt feigning reproachful innocence: "The rebels in Hungary were defended, and the fraternal assistance of the Soviet Union to the Hungarian people was called Soviet intervention."

-10-

While the graves of the victims of brotherly love were still fresh, however, Kruschchev resumed his wooing of the Yugoslavs--tentatively and somewhat diffidently now, as if hoping against hope that they might desist from the crime of independence and submit to reduction in the Kremlin mode.

A late summer meeting in 1957 in Roumania between Kruschchev and Tito produced some rhetoric of reconciliation but no solid achievements. The Yugoslav Communist leaders persisted in walking their own path, keeping lines of friendship open with the world at large, and not bending the knee to Kruschchev.

As late as May 25 of this year Kruschchev continued to speak language of amity, deplored, in a birthday message to Tito, the "misunderstanding" between the Yugoslav and Russian Communist parties and expressing hope of reconciliation..

In fact, however, no misunderstanding obtains. Each side understands the other very well.

In April Tito, for his part, made his understanding of the situation perfectly clear--condemning Soviet attempts at political dominance and demanding that the Soviet rulers give up their ideas, which he termed absurd, for reeducating the Yugoslav Communists.

The Chinese Communists, sometimes seconding Moscow and again even setting the pace in condemnation of Tito and his works, have made equally clear rejoinder through the spring. The Chinese People's Daily of Peiping has proclaimed: "Present day revisionism must be fought to the end." It has called the heads of the Yugoslav Communist Party "shameful traitors." Peiping has stridently asserted the basic correctness of the Cominform action of 1948 which attempted to cast the Yugoslav deviationists into outer darkness.

-11-

At a meeting of the Bulgarian Communist Party early in June Kruschev has likened the Yugoslav Communist Party to a Trojan horse.

#### V. The Politics of Soviet Aid

Up to now, except at the beginning, this account has omitted details about aid from the Soviet Union and its bloc to Yugoslavia. The distinction between Soviet aid and politics implicit in this is a false one. They are facets of the same thing, as the story in summary brings out.

The account of Soviet aid to Yugoslavia is like a fever chart. Aid--or at least the promise of aid--has been fluent when the pretensions of Communist fellowship have been high. It has dwindled and vanished as Kremlin affections have chilled in response to signs of independence from Belgrade.

Here are the developments in simple synopsis:

From the end of World War II to the expulsion of Yugoslavia from the Cominform in 1948, a sum of 125 million pounds in development credits from the Soviet bloc was contracted for by Yugoslavia, about one third of it from the USSR; less than 9 million pounds overall and 300,000 pounds from the USSR proper were actually used.

Immediately after the break with the Cominform, development credits were suspended.

The post-Stalin reproachment brought a renewal of credits in the following sequence: A 39 million pound Soviet-Yugoslav credit agreement for capital equipment and miscellaneous projects in January of 1956; two Soviet credits totaling 30 million pounds; a Czechoslovakian credit of 26 million pounds, and a Polish credit of 7 million pounds in the following month; a joint Soviet-East

German development loan of 60 million pounds in August of 1956 for construction of an aluminum plant at Titograd in Montenegro, ostensibly scheduled for completion in 1961.

In the sequel to the Hungarian revolt, as retaliation against Yugoslavia, the Soviet Union announced a 5-year postponement of the credit for the aluminum plant, setting the completion date [over] to 1966, and indefinitely put off plans to finance a fertilizer plant and a power station.

In the period of warming up again in 1957 the Soviet Union signed a new agreement for an 87 million pound credit--earmarking 70 per cent for the aluminum plant and moving the completion date ahead two years to 1964 and restoring plans for the fertilizer plant and the power station.

This leads us back to the beginning of this account--to Gromyko's announcement of May 28 of a new five-year suspension of the aluminum plant project, an act of retaliation for Yugoslavia's persistent independence.<sup>ENP</sup>

[This is the way the story of Soviet aid goes.]

It is not the way Kruschev said it would go.

In February of 1956, for example, Kruschev spoke thus about Soviet aid to underdeveloped countries: "These countries, although they do not belong to the socialist world system, can draw on its achievements to build up an independent national economy and to raise the living standards of their peoples. Today they need not go begging for up-to-date equipment to their former oppressors. They can get it in the socialist countries, free of any political or military obligations."

-13-

Again, earlier this year, Kruschev said: "We...take the position that the underdeveloped countries should be helped to build up their own industries, develop their own productive forces and carry out their political and economic plans independently of other countries.

"We support disinterested, real aid to the under-developed countries, so that they, by overcoming their backwardness, will become increasingly strong economically."

Such statements abound from smiling, affable Kruschev--the Kruschev who described murder in Hungary as "fraternal assistance." He has made much of the allegedly unencumbered character of Soviet aid and has built "aid without strings" into one of the leading phrases of the Soviet propaganda panoply, but for Yugoslavia his purpose is strings without aid. ]